



February 2023

BOPC rec'd on 2/28/2023

January 2023 – Partial Container Tallies

As a reminder to our readers, we only cite the container volumes that are reported by the ports themselves, not all of which have posted their latest monthly tallies before our publication date. Readers should also note that, unless otherwise indicated, the container numbers appearing in this report represent TEUs.

America's container trade continued its easterly drift in January, with volumes through U.S. West Coast (USWC) ports plunging to some of their lowest levels in years. One indication of this is that this January's container traffic at the major U.S. and Canadian ports on the Pacific Coast was uniformly down from pre-pandemic January 2019, while the opposite tended to be the case at U.S. East and Gulf Coast ports.

This trend was especially evident at the **Port of Long Beach** where inbound loads this January (263,394) were off by 32.3% from the previous January and down 18.7% from January 2019. Apart from 2015, when a labor dispute gummed up operations at USWC ports, this January saw the lowest volume of inbound loads at Long Beach in any previous January since 2012. Again setting aside January 2015, outbound loads this January (105,623) were the fewest in any January since 2009. The total of 573,772

loads as well as empties this January was the lowest January total since 2016.

Things were better — but only relatively — at the neighboring **Port of Los Angeles**. Inbound loads (372,040) were not merely down 12.9% from a year earlier, they were the fewest of any January at the port since January 2016. Outbound loads (102,723) were up 2.5% year-over-year but otherwise represented the port's lowest number of outbound loads since January 2006. Total container traffic through the port in January (726,014) was down 16.1% from a year earlier. It was also the port's least busy January since it handled 704,398 loads and empties during the first month of 2016.

As we go to press, neither the **Port of Oakland** or the **Port Authority of New York/New Jersey** have released their January container statistics.

Up in the Pacific Northwest, negative numbers proliferated on both sides of the border. At the **Northwest Seaport Alliance Ports of Tacoma and Seattle**, import loads in January (79,067) plunged 30.0% from a year earlier and were down 38.5% from the pre-pandemic month of January 2019. Export loads (38,637), while up 3.8% year-over-year, were down 47.0% from the same month in 2019. Total traffic, including domestic as well as international shipments, amounted to 213,095, a 21.7% fall-off from a year earlier and a 34.7% drop from January 2019.

Across the border in British Columbia, January's numbers were mildly less disappointing. Inbound loads (121,081) at the **Port of Vancouver** were down 8.2% from a year earlier but also 28.9% below January 2019's volume. Outbound loads (59,966) did rise by 20.1% year-over-year but that only served to mask the fact that January 2019 saw the port ship 31,432 more outbound loads than it did this January. Counting empties and loads, January's total volume (247,473) was down 21.1% from January 2019.

Even further north, the **Port of Prince Rupert** recorded 39,012 inbound loads, down 5.9% year-over-year and down 28.4% from January 2019. Outbound loads (11,215) were



**NUMBER
OF THE
MONTH**

196

The U.S. exported \$196 billion of farm and food products last year – topping the previous record set in 2021 by 11%.

USDA Foreign Agriculture





January Tallies Continued

down 13.5% from the same month in 2022 and down 34.6% from January 2019. Total traffic (76,564) was off by 3.6% from a year earlier and down 6.0% from January 2019.

Along the East Coast, the **Port of Virginia** posted the highest January numbers in the port's history. Inbound loads (134,589) were up 5.5% from a year earlier, while outbound loads (96,431) jumped by 38.6%. Total container traffic (288,380) was up 10.1% year-over-year and up 20.1% over pre-pandemic January 2019.

The **Port of Charleston** saw a 7.2% year-over-year drop in inbound loads (108,786). Otherwise, this January saw the highest volume of inbound loads in any previous January in the port's history. Outbound loads at the South Carolina port in January (59,965) were up 10.5% from a year earlier but down 9.9% from pre-pandemic January 2019. January saw 215,238 loads and empties transit the port, a 4.9% dip from a year earlier but 4.7% over its total throughput in January 2019.

January was also a more leisurely month for the **Port of Savannah**. Inbound loads (210,084) were down 15.9% from a year earlier and just 0.6% higher than in pre-pandemic January 2019. Outbound loads, by contrast, leapt by 21.4% year-over-year. Even that, however, was 11.3% less than in January 2019. Combining loads and empties (421,714), the Georgia port handled 11.5% fewer boxes than the previous January and 1.9% fewer boxes than in January 2019.

Down along the Gulf Coast, the **Port of Houston** sustained a 5.8% fall-off in inbound loads in January (149,400). Still, the volume of inbound loads this January was up 22.9% from January 2021 and up 56.7% from January 2019. Outbound loads through the Texas port in January (113,875) soared by 31.0% year-over-year. Other than a January 2020 surge in polymer exports through the port, this January was the port's top month for outbound loads. Total traffic (319,990) was down by 1.1% from the preceding January but up 48.9% from pre-pandemic January 2019.

For the Record: Complete December 2022 and CY2022 TEU Numbers

Starting our review in Southern California, San Pedro Bay continued to be an unhurried gateway for container trade as 2022 concluded. The **Port of Los Angeles** reported handling 352,046 inbound loads in December, the most in any month since August but still 8.6% fewer than in December 2021 and down 23.6% from the hyperactive 2020. Outbound loads, however, bounced up 36.2% from December 2021 to 96,518 but that was still down 19.7% from December 2020.

Over at the **Port of Long Beach**, the 241,643 inbound loads in December were down 32.6% from a year earlier and off 40.5% from December 2020. Outbound loads (115,782) were up 1.6% year-over-year but down 12.5% from December 2020. Total traffic at the port YTD (9,133,657) was down 2.7% from 2021 but up 12.6% from 2020.

Collectively, inbound loads through the two **San Pedro Bay** ports in December (593,689) were down 20.2% from the previous December and off by 31.5% from December 2020. For the year as a whole, inbound loads (9,334,525) were down 7.5% from 2021 but up 5.8% from a chaotic 2020. Outbound loads through the two ports (212,300) in December were up 14.9% year-over-year but down 16.0% from December 2020. For all of 2022, outbound loads (2,601,967) were off 0.8% and down 13.5% from 2020. Counting both loaded and empty containers, total traffic through the San Pedro Bay gateway in 2022 (19,044,816) was down 5.1% from a year earlier but up 9.9% from 2020.

The San Pedro Bay ports' chief East Coast rival, the **Port of New York/New Jersey**, saw a 22.6% year-over-year fall-off in inbound loads in December to 303,596, well shy of the 352,046 that arrived at the Port of LA. Outbound loads at PNYNJ (102,866) were off by 3.1% from the previous December. Altogether, PNYNJ's December volumes of loads and empties totaled 613,011, which placed it behind both of the Southern California gateways in terms of total container volumes handled in December. For the entire year, the 9,493,664 loads and empties that passed



December 2022 TEU Numbers *Continued*

over the docks at PNYNJ ranked it as the nation's second busiest port in 2022 behind Los Angeles but ahead of Long Beach.

At the **Port of Oakland**, the 65,566 inbound loads that arrived in December were the fewest in any December dating back to 2013. Outbound loads (58,302) did represent a 4.6% year-over-year gain, but otherwise this past December was the least busy December for outbound loads since 2001. On a YTD basis, Oakland's 990,820 inbound loads were down 6.1% from 2021 and down 0.5% from 2020. Total container traffic through the Bay Area port last year amounted to 2,337,125, a 4.5% drop from the previous year. Oakland officials attributed the drop in inbound loads to high levels of domestic inventories curbing demand for new imports.

The **Northwest Seaport Alliance (Ports of Tacoma and Seattle)** recorded 85,183 import loads in December, the lowest number for any December since the two ports began operating jointly. This December's container import volume was down 12.4% from a year earlier and down 30.4% from December 2020. For the year as a whole, import loads (1,258,631) were 14.1% lower than in 2021 but were up 0.4% from 2020. Export loads in December (46,781) were up 14.9% year-over-year but down 26.7% from December 2020. For the entire year, the NWSA reported 555,556 export loads, down 19.7% from 2021 and 29.7% from 2020. Total container traffic through the ports in 2022 (3,384,018) was off by 9.4% from a year earlier. It was also 10.9% below the peak set in 2018.

At British Columbia's **Port of Vancouver**, inbound loads in December plummeted by 32.3% to 98,438 from 145,373 a year earlier and by 41.2% from the 167,466 inbound loads

the port handled in December 2020. YTD, however, the 1,835,407 inbound loads handled in all of 2022 were down just 3.9% from 2021's tally. By contrast, outbound loads (53,397) in December were up 8.8% from the last month of 2021 but down by 39.5% from December 2020. For the year, outbound loads (703,005) were down 20.0% from 2021 and down 32.6% from 2020. Total container traffic in 2022 amounted to 3,557,294, a 3.3% fall-off from a year earlier.

Further north, the **Port of Prince Rupert** continued to underperform its past in December. Inbound loads (43,045) were not just down by 25.3% from December 2021, it was the lowest volume since December 2016. For the year, inbound loads amounted to 535,969, the lowest annual volume since 2017. Export loads (12,274) in December and 136,531 for the year were the fewest in any year since... well, the port's online records don't go back before 2013. Counting loads and empties, total container traffic in 2022 (1,035,639) was at the lowest level since 2017.

The **Port of Virginia** saw a 20.5% year-over-year drop in inbound loads in December to 125,715 from 157,590. For the entire year, inbound loads (1,728,911) were up 2.9% over 2021. Outbound loads (90,838) were meanwhile up 2.4% in December and 2.5% for the year as a whole. Total container traffic (3,703,230) in 2022 was up 5.1% from 2021.

At the **Port of Charleston**, inbound loads in December (104,336) were down 12.1% year-over-year, while outbound loads (63,320) were up 10.8% over the last month of 2021. For all of 2022, inbound loads (1,383,490) were up 6.8% from 2021, but outbound loads (665,458) were down 18.3% from 2021. Total YTD traffic of 2,792,313 represented a modest 1.5% gain over 2021, but a 20.9% jump over 2020.

We Make Cargo Move



The Port
OF HUENEME



Exhibit 1

December 2022 - Inbound Loaded TEUs at Selected Ports

	Dec 2022	Dec 2021	% Change	Dec 2020	% Change	Dec 2022 YTD	Dec 2021 YTD	% Change	Dec 2020 YTD	% Change
Los Angeles	352,046	385,251	-8.6%	460,865	-23.6%	4,975,735	5,513,286	-9.8%	4,827,040	3.1%
Long Beach	241,643	358,687	-32.6%	406,072	-40.5%	4,358,790	4,581,848	-4.9%	3,998,340	9.0%
San Pedro Bay Total	593,689	743,938	-20.2%	866,937	-31.5%	9,334,525	10,095,134	-7.5%	8,825,380	5.8%
Oakland	65,566	79,055	-17.1%	90,218	-27.3%	990,820	1,055,614	-6.1%	995,977	-0.5%
NWSA	85,183	97,285	-12.4%	122,469	-30.4%	1,258,631	1,464,662	-14.1%	1,253,818	0.4%
Hueneme	11,310	11,070	2.2%	4,591	146.4%	137,373	102,892	33.5%	49,278	178.8%
USWC Total	755,748	931,348	-18.9%	1,084,215	-30.3%	11,721,349	12,718,302	-7.8%	11,124,453	5.4%
Boston	8,669	5,401	60.5%	12,114	-28.4%	88,214	92,267	-4.4%	137,098	-35.7%
NYNJ	303,596	392,348	-22.6%	358,325	-15.3%	4,804,436	4,586,988	4.7%	3,920,686	22.5%
Maryland	44,103	49,438	-10.8%	45,041	-2.1%	535,899	506,299	5.8%	523,266	2.4%
Virginia	125,725	157,590	-20.2%	123,218	2.0%	1,728,911	1,679,528	2.9%	1,316,976	31.3%
South Carolina	104,336	118,710	-12.1%	93,568	11.5%	1,383,490	1,294,901	6.8%	1,033,001	33.9%
Georgia	217,628	238,309	-8.7%	224,625	-3.1%	2,873,100	2,801,201	2.6%	2,306,625	24.6%
Jaxport	26,776	29,584	-9.5%	27,906	-4.0%	321,511	316,942	1.4%	317,626	1.2%
Port Everglades	30,316	32,688	-7.3%	27,913	8.6%	385,989	365,722	5.5%	299,038	29.1%
Miami	42,075	51,154	-17.7%	43,066	-2.3%	527,510	548,331	-3.8%	439,305	20.1%
USEC Total	903,224	1,075,222	-16.0%	955,776	-5.5%	12,649,060	12,192,179	3.7%	10,293,621	22.9%
New Orleans	8,356	11,656	-28.3%	12,362	-32.4%	116,458	128,039	-9.0%	138,450	-15.9%
Houston	136,055	148,301	-8.3%	128,593	5.8%	1,916,586	1,634,025	17.3%	1,296,522	47.8%
USGC	144,411	159,957	-9.7%	140,955	2.5%	2,033,044	1,762,064	15.4%	1,434,972	41.7%
Vancouver	98,438	145,373	-32.3%	167,466	-41.2%	1,835,407	1,909,972	-3.9%	1,797,582	2.1%
Prince Rupert	43,045	57,596	-25.3%	59,141	-27.2%	535,969	546,962	-2.0%	643,575	-16.7%
British Columbia Total	141,483	202,969	-30.3%	226,607	-37.6%	2,371,376	2,456,934	-3.5%	2,441,157	-2.9%

Source Individual Ports



Exhibit 2

December 2022 - Outbound Loaded TEUs at Selected Ports

	Dec 2022	Dec 2021	% Change	Dec 2020	% Change	Dec 2022 YTD	Dec 2021 YTD	% Change	Dec 2020 YTD	% Change
Los Angeles	96,518	70,872	36.2%	120,265	-19.7%	1,187,085	1,184,145	0.2%	1,531,406	-22.5%
Long Beach	115,782	113,918	1.6%	132,374	-12.5%	1,414,882	1,437,917	-1.6%	1,475,888	-4.1%
San Pedro Bay Totals	212,300	184,790	14.9%	252,639	-16.0%	2,601,967	2,622,062	-0.8%	3,007,294	-13.5%
Oakland	58,302	55,724	4.6%	75,330	-22.6%	760,796	852,374	-10.7%	927,799	-18.0%
NWSA	46,781	40,703	14.9%	63,849	-26.7%	555,556	691,446	-19.7%	790,620	-29.7%
Hueneme	3,638	2,516	44.6%	1,147	217.2%	40,476	30,796	31.4%	12,314	228.7%
USWC Totals	321,021	283,733	13.1%	392,965	-18.3%	3,958,795	4,196,678	-5.7%	4,738,027	-16.4%
Boston	4,564	3,222	41.7%	7,211	-36.7%	37,920	64,266	-41.0%	79,133	-52.1%
NYNJ	102,866	106,136	-3.1%	103,891	-1.0%	1,299,070	1,358,730	-4.4%	1,321,043	-1.7%
Maryland	20,549	22,102	-7.0%	22,269	-7.7%	243,209	251,054	-3.1%	226,621	7.3%
Virginia	90,838	88,667	2.4%	82,670	9.9%	1,076,146	1,049,588	2.5%	940,684	14.4%
South Carolina	63,320	57,136	10.8%	67,239	-5.8%	665,458	814,964	-18.3%	774,811	-14.1%
Georgia	107,724	84,800	27.0%	105,796	1.8%	1,348,850	1,382,233	-2.4%	1,414,891	-4.7%
Jaxport	43,785	41,669	5.1%	44,804	-2.3%	545,300	575,669	-5.3%	512,203	6.5%
Port Everglades	33,831	34,703	-2.5%	32,889	2.9%	409,641	391,095	4.7%	343,572	19.2%
Miami	22,812	26,827	-15.0%	27,051	-15.7%	303,575	338,696	-10.4%	343,267	-11.6%
USEC Totals	490,289	465,262	6.0%	493,820	-0.4%	5,929,169	6,226,295	-4.8%	5,956,225	-0.8%
New Orleans	14,973	17,657	-15.2%	22,792	-34.3%	224,886	438,459	-48.7%	487,885	-53.9%
Houston	107,576	90,660	18.7%	106,908	0.6%	1,268,440	1,068,982	18.7%	1,230,921	103.0%
USGC Totals	122,549	108,317	13.1%	129,700	-5.5%	1,493,326	1,507,441	-0.9%	1,718,806	-13.1%
Vancouver	53,397	49,084	8.8%	88,192	-39.5%	703,005	878,429	-20.0%	1,043,069	-32.6%
Prince Rupert	12,274	14,999	-18.2%	18,762	-34.6%	136,531	158,861	-14.1%	193,642	-29.5%
British Columbia Totals	65,671	64,083	2.5%	106,954	-38.6%	839,536	1,037,290	-19.1%	1,236,711	-32.1%

Source Individual Ports

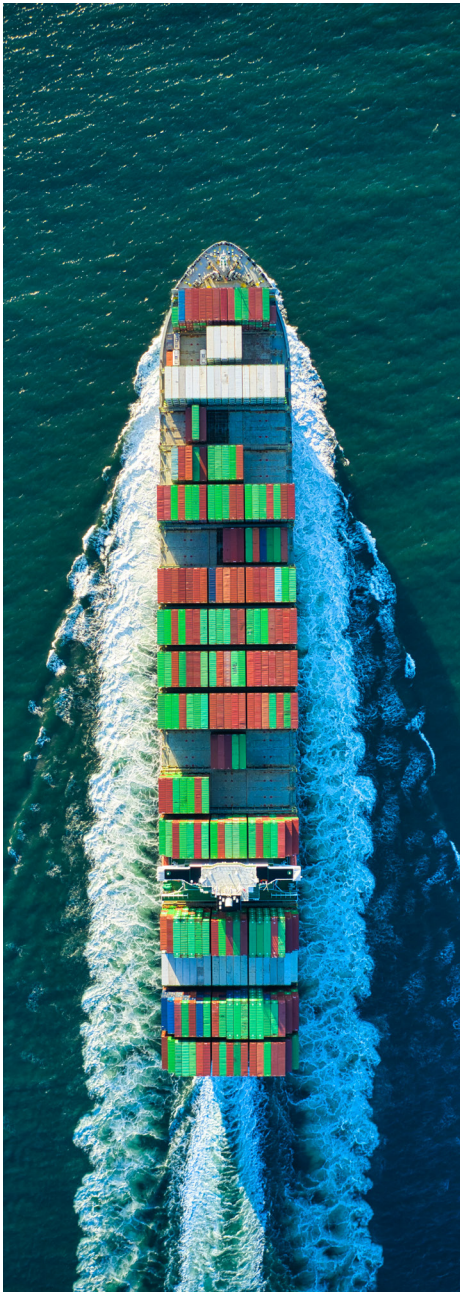


Exhibit 3

December 2022 YTD Total TEUs

	Dec 2022 YTD	Dec 2021 YTD	% Change	Dec 2020 YTD	% Change
Los Angeles	9,911,159	10,677,610	-7.2%	9,213,396	7.6%
NYNJ	9,493,664	8,985,931	5.7%	7,585,819	25.2%
Long Beach	9,133,657	9,384,368	-2.7%	8,113,318	12.6%
Georgia	5,892,131	5,613,163	5.0%	4,682,249	25.8%
Houston	3,974,901	3,453,266	15.1%	3,001,164	32.4%
Virginia	3,703,230	3,522,834	5.1%	2,813,415	31.6%
Vancouver	3,557,294	3,680,581	-3.3%	3,467,521	2.6%
NWSA	3,384,018	3,736,206	-9.4%	3,320,379	1.9%
South Carolina	2,792,313	2,751,442	1.5%	2,309,995	20.9%
Oakland	2,337,125	2,448,243	-4.5%	2,461,262	-5.0%
Montreal	1,722,704	1,728,114	-0.3%	1,607,289	7.2%
JaxPort	1,323,805	1,377,417	-3.9%	1,295,289	2.2%
Miami	1,184,776	1,244,090	-4.8%	1,070,615	10.7%
Port Everglades	1,091,288	1,066,016	2.4%	933,431	16.9%
Maryland	1,069,421	1,019,407	4.9%	1,051,840	1.7%
Prince Rupert	1,035,639	1,054,836	-1.8%	1,141,390	-9.3%
Philadelphia	772,082	739,323	4.4%	640,709	20.5%
Mobile	563,191	502,623	12.1%	423,540	33.0%
New Orleans	430,215	488,119	-11.9%	572,221	-24.8%
Hueneme	265,749	220,186	20.7%	169,412	56.9%
Boston	173,926	187,902	-7.4%	268,418	-35.2%
Portland, Oregon	171,481	105,989	61.8%	58,066	195.3%

Source Individual Ports



Moving Day and Night

24/7 operation is critical to the future of the supply chain.



Port of **LONG BEACH**
THE PORT OF CHOICE



December 2022 TEU Numbers *Continued*

Down at the **Port of Savannah**, inbound loads (217,628) were down 8.7% from a year earlier, while outbound loads (107,724) surged by 27.0% from December 2021. For the entire year, inbound loads (2,873,100) were up 2.6%, while outbound loads (1,282,233) slipped by 2.4%. Total traffic through the port in December (440,759) was down 5.2% from December 2021. Total container traffic for the year amounted to 5,892,131, a 5.0% increase over 2021.

At the **Port of Houston**, inbound loads (136,055) in December were down 8.3% year-over-year, while outbound loads (107,576) were up by 18.7%. YTD, inbound loads (1,916,586) topped the previous year by 17.3% and 2020 by a remarkable 47.8%. Outbound loads in all of 2022 (1,268,440) similarly exceeded the 2021 total by 18.7%. Total container traffic through the Texas gateway in 2022 amounted to 3,974,901 loads and empties, a 15.1% gain over 2021 and a 32.4% increase over 2020.

Nationally, containerized import volumes turned out to be much lower than some analysts had earlier surmised. In a January 9 press release, the National Retail Federation's Global Port Tracker had projected that December would see the arrival of 1.88 million inbound loads, which would be down 10.1% from a year earlier. However, in its February 7 update, the Global Port Tracker conceded that inbound loads in December actually totaled 1.73 million.

The Year 2022 Totals by Coast

For the first time in decades, more inbound loads entered USEC than USWC ports in 2022, while the Atlantic Seaboard ports maintained their customary wide lead in outbound loads.

U.S. East Coast ports saw a 3.7% (+456,881) gain in inbound loads over 2021 but a 4.8% (-297,126) decline in outbound loads from a year earlier. Along the Gulf Coast, the Port of Houston alone recorded a year-over-year bump of 17.3% (+282,561) in inbound loads and an 18.7% (+199,458) jump in outbound loads. USWC ports, meanwhile, sustained a 7.8% drop (-996,953) in inbound loads along with a 5.7% (-237,883) decline in outbound loads.

In terms of all of the loads and empties moving in and out of the ports we track, the five major USWC ports saw a collective 5.6% (-1,480,468) decline in total volume, while USEC ports together posted a 3.7% (+989,111) gain. The

three Gulf Coast ports meanwhile posted a combined 11.8% (+534,299) gain in total containers handled in 2022.

Weights and Values

Here we offer an alternative to the customary TEU metric for gauging containerized trade. The percentages in **Exhibits 4 and 5** represent U.S. West Coast shares of the box trade through mainland U.S. ports. They are derived from data compiled by the U.S. Commerce Department from documentation submitted by the importers/exporters of record. Both exhibits provide evidence in terms of both cargo weight and dollar value of the

Exhibit 4 Major USWC Ports Shares of U.S. Mainland Ports Worldwide Container Trade, December 2022

	Dec 2022	Nov 2022	Dec 2021
Shares of U.S. Mainland Ports Containerized Import Tonnage			
USWC	32.7%	30.5%	32.6%
LA/LB	23.5%	21.4%	23.6%
Oakland	3.8%	3.4%	3.1%
NWSA	3.5%	4.0%	3.8%
Shares of U.S. Mainland Ports Containerized Import Value			
USWC	37.6%	36.0%	39.3%
LA/LB	29.2%	27.4%	30.0%
Oakland	2.8%	2.7%	2.8%
NWSA	4.4%	4.7%	5.0%
Shares of U.S. Mainland Containerized Export Tonnage			
USWC	31.7%	34.1%	33.0%
LA/LB	19.4%	20.7%	20.1%
Oakland	5.5%	5.8%	5.7%
NWSA	5.7%	6.4%	6.2%
Shares of U.S. Mainland Conatainerized Export Value			
USWC	26.7%	28.4%	26.3%
LA/LB	17.0%	18.0%	15.8%
Oakland	5.7%	5.7%	6.1%
NWSA	3.2%	3.6%	3.6%

Source: U.S. Commerce Department.



December 2022 TEU Numbers *Continued*

Exhibit 5 Major USWC Ports Shares of U.S. Mainland Ports Containerized Trade with East Asia, December 2022

	Dec 2022	Nov 2022	Dec 2021
Shares of U.S. Mainland Ports Containerized Import Tonnage			
USWC	51.0%	47.9%	51.7%
LA/LB	39.8%	36.5%	39.9%
Oakland	4.2%	3.6%	4.0%
NWSA	5.8%	6.6%	6.1%
Shares of U.S. Mainland Ports Containerized Import Value			
USWC	57.2%	54.5%	57.3%
LA/LB	45.7%	43.0%	45.0%
Oakland	3.3%	3.1%	3.4%
NWSA	6.9%	7.2%	7.4%
Shares of U.S. Mainland Containerized Export Tonnage			
USWC	51.9%	56.3%	54.5%
LA/LB	32.8%	35.5%	35.3%
Oakland	7.8%	8.1%	7.5%
NWSA	9.8%	11.2%	10.6%
Shares of U.S. Mainland Containerized Export Value			
USWC	52.9%	57.1%	53.3%
LA/LB	34.9%	37.2%	34.5%
Oakland	9.5%	9.8%	9.8%
NWSA	7.3%	8.3%	7.9%

Source: U.S. Commerce Department.

diminishing role West Coast ports generally have been playing in handling containerized imports, especially with respect to shipments arriving from East Asia.

The Top Three U.S. Container Ports

As **Exhibit 6** reveals, inbound loads through the nation's three busiest container ports have been declining since last spring.

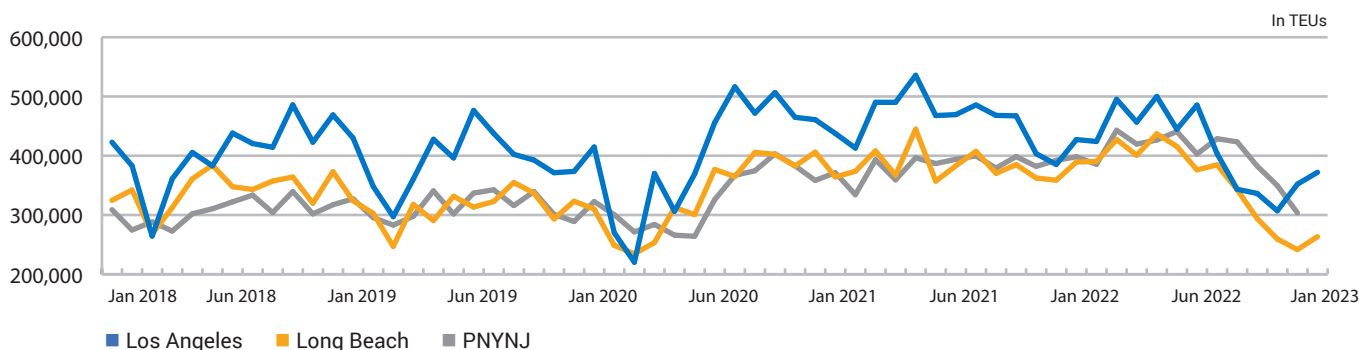
On the other side of the trade ledger, the volume of outbound loads leaving the three major gateways has been waning since before the pandemic, as **Exhibit 7** indicates.

Dry Bulk Exports in the Pacific Northwest

Trade in containerized goods gets a lot of media attention, most of which focuses on inbound traffic. Much less ink is spilled over the nation's dry bulk trade. So, it's likely that few people would expect that the leading USWC port for handling dry bulk tonnage is not Los Angeles or Long Beach or Oakland or Seattle or Tacoma. Rather, according to the U.S. Transportation Department's January 2023 Port Performance report to Congress, that distinction goes to the **Port of Kalama** on the Columbia River in southwestern Washington State. Kalama ranks 15th in the nation, two places ahead of the nearby Port of Portland, which is six places ahead of the Port of Seattle. Another Columbia River terminal, the Port of Longview (Washington) ranks 24th.

Exhibit 6 Five Years of Inbound Loads at LA, Long Beach, and PNYNJ

Source: Individual Ports





December 2022 TEU Numbers *Continued*

Exhibit 7

Five Years of Outbound Loads at LA, Long Beach, and PNYNJ

Source: Individual Ports

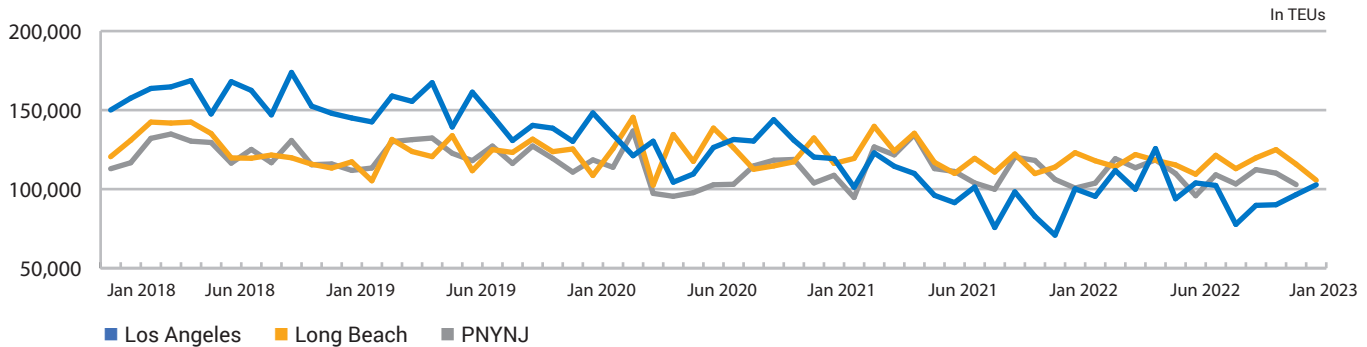
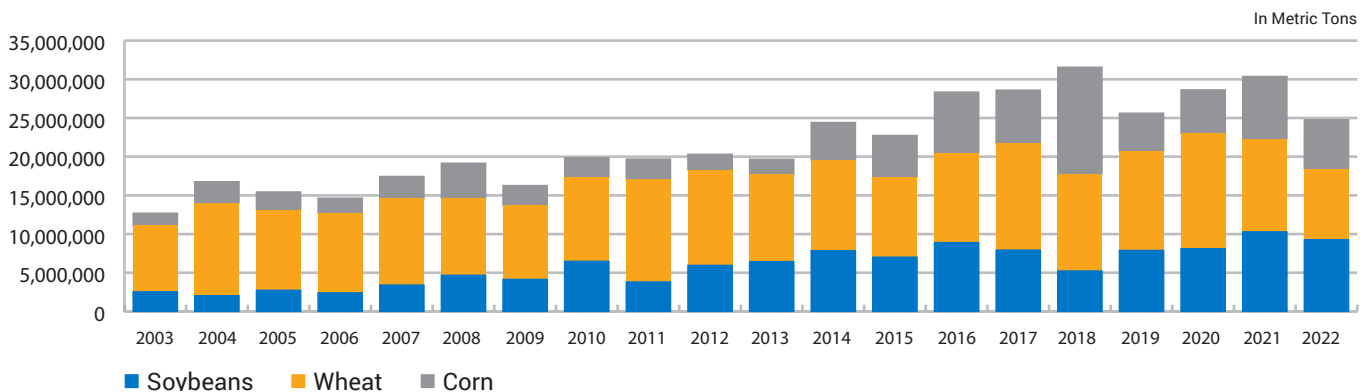


Exhibit 8

Bulk Agricultural Export from Columbia River Ports: 2003-2022

Source: U.S. Commerce Department



The high ranking of the Columbia River Ports of Kalama, Longview, Portland, and Vancouver derives from the outsized role they play in shipping agricultural produce, notably wheat, corn (maize), and soybeans, to Asian markets. However, even though bulk soybean exports to East Asia increased by 9.2% last year, their share of that trade declined by 9.3%. Picking up the slack, the Northwest Seaport Alliance Ports of Tacoma and Seattle posted a 19.6% gain in their bulk exports of soybeans to East Asia. Still, despite the issues shippers had last year with low water levels in the Mississippi River, the ports of the Pacific Northwest failed to capitalize.

Wine Imports

There was an item in the *American Journal of Transportation* last spring about a new intermodal service

using the Port of Virginia to deliver transatlantic import cargo to California. It reportedly involves Hapag-Lloyd partnering with the Norfolk Southern Railway to transport several hundred containers a week to Chicago, where they would be handed off to the Union Pacific Railroad for delivery to Los Angeles and Oakland.

California accounts for 11.7% of the U.S. population and a somewhat larger share of the nation's wine drinkers. More wine is consumed in the Golden State than in Florida, Texas, and Nevada combined, according to the National Institutes for Health. While California produces about 85% of the nation's wines, its residents also number among the most avid drinkers of wines from the vineyards of France and Italy. So how do all those fine European wines get here?



December 2022 TEU Numbers *Continued*

In terms of import value, California's ports rank behind PNYNJ in containerized wine imports from France and Italy. Last year, the big East Coast gateway handled 56.1% of the \$4.81 billion trade. The Port of Oakland was the main port-of-entry on the West Coast, handling a 10.4% share, while the two San Pedro Bay ports and the Northwest Seaport Alliance held 4.4% and 0.4% shares, respectively.

As much as we would prefer to have more of these liquid assets routed from Europe to West Coast consumers through West Coast ports, part of us sincerely hopes this new venture succeeds in getting delivery times and prices down...so long as the shipments stay on track.

Keeping Tabs on Farm Exports in a Fast-Moving World

Data are important assets to sound decision-making. Unfortunately, data are often incomplete or out-of-date. In 1997, the Agricultural Issues Center (AIC) at the University of California at Davis entered into a partnership with the California Department of Food and Agriculture to devise more accurate estimates of California's agricultural exports. In 2019, this partnership shifted from AIC to the UC Davis Department of Agricultural and Resource Economics, which has apparently dropped the ball or fumbled the baton. The last and most recent report is for 2019. Our calendar reads February 2023.

Apart from our normal fetish for punctuality, our principal complaint with the tardiness of official state statistics on its agricultural export trade is that it opens the door to those who traffic in anecdotes and, at times, misrepresentation. We think the farmers and ranchers of California deserve better from their state government.

As if the value of accurate, timely statistics needed any further emphasis, we wish to join with U.S. Agriculture Secretary Tom Vilsack in congratulating America's growers, ranchers, and food producers on another record year of exporting. According to the U.S. Department of Agriculture press release on February 10th, ***"the American agricultural sector posted its best export year ever in 2022, with international sales of U.S. farm and food products reaching \$196 billion"***.

Now this may come as shocking or even fake news to a lot of people inside and outside of policymaking circles, particularly those who have been persuaded that farm exporters have been facing nearly insurmountable logistical hurdles in the past couple of years.

The triumphant USDA release went on to share some useful details about just how successful a year it was for exporters of farm products. For one thing, U.S. agricultural exports increased 11 percent, or \$19.5 billion, from the previous record set in 2021. It then noted that 2022 was the second consecutive year of record-setting agricultural exports. The value of sales, the release also pointed out, increased in all of the United States' top 10 agricultural export markets – China, Mexico, Canada, Japan, the European Union, South Korea, Taiwan, the Philippines, Colombia and Vietnam, with sales in seven of the 10 markets (China, Mexico, Canada, South Korea, Taiwan, the Philippines and Colombia) setting new records.

We would urge Secretary Vilsack to share all this good news widely, especially with the Members of Congress who have just re-introduced the "American Port Access Privileges Act". It's a measure that would essentially hold imported goods bound for American consumers and manufacturers hostage to the demands of exporters, especially those shipping agricultural produce to overseas markets.

According to a February 15 press release from one of the measure's congressional sponsors: "Our legislation would put American exports at the front of the line at our ports to support American businesses and workers." How this prioritizing of one interest group over nearly everyone else in the country would work is anyone's guess.

That said, we'll take this opportunity to update readers on the very latest (January) export numbers from California's almond, walnut, and pistachio shippers. Let's start with the report from the Administrative Committee for Pistachios, which recorded that exports in January were up 63.5% year-over-year, while domestic shipments slipped by 9.6%. Meanwhile, the Almond Board of California reports that January exports were up 47.5% from a year earlier, but domestic shipments essentially remained unchanged. As for walnuts, the California Walnut Board tells us that exports increased by 24.9% year-over-year, while domestic shipments rose 30.3%.

In case anyone is wondering, California's tree nut growers are exceedingly dependent on overseas sales. In their respective crop years through this January, exports accounted for 64.1% of all walnut shipments (domestic as well as foreign). Similarly, exports accounted for 70.7% of all pistachio shipments, just ahead of export's 71.4% share of all almond shipments.



Jock O'Connell's Commentary:

A Half-Century of Change on Route 29

A recent spasm of housecleaning turned up a dusty cardboard box stuffed with paraphernalia from fifty years ago. It was the proverbial time capsule. Aside from a number of truly epic bar receipts, the contents included reams of dissertation research notes, a copy of a U.S. Maritime Administration report on containerized cargo statistics for 1973, and a letter from my draft board advising me that I was not eligible for a government-sponsored tour of Vietnam.

Why I had hung on to the bar tabs may be only slightly less puzzling than why I still have the MARAD report. But, since it is now again in hand, let's see what it tells us about the changes that have occurred in the nation's box trade over the past half-century, especially with Vietnam.

One big difference between then and now was that America actually ran a trade surplus in 1973, with \$71.314 billion in merchandise exports more than balancing out the \$69.121 billion in goods we imported. That was more or less reflected in the nation's containerized trade, which amounted to 17.2 million long tons of cargo carried in 1,398,000 loaded containers. (MARAD would not begin using the TEU or twenty-foot equivalent unit to enumerate container trade until 1978.) 48.8% of those boxes were outbound and 51.2% inbound.

Perhaps even more remarkable was that U.S. flagged carriers handled 33.4% of all that container traffic, with Japanese shipping lines handling another 14.4%.

The busiest trade routes fifty years ago were those linking

America's East and Gulf Coast ports with Europe and the Mediterranean. Altogether, 662,000 containers crossed the Atlantic in 1973. By comparison, the transpacific trade amounted to 564,000 containers.

MARAD identified three transpacific shipping lanes, the most prominent of which was **Trade Route 29**, which linked U.S. Pacific Coast ports with the Far East. In 1973, 377,000 containers were shipped via TR 29. Of those, 195,000 were inbound and 182,000 were outbound. Another 135,000 containers sailed that year along **Trade Route 12** between East and Gulf Coast ports and the Far East by way of the Panama Canal. 82,000 of those containers were inbound, while 53,000 were outbound. In addition, 52,000 containers, with 22,000 inbound and 30,000 outbound, were shipped along **Trade Route 16** between East and Gulf Coast ports and Australasia via Panama.

Altogether, U.S. container trade along those three transpacific routes in 1973 amounted to 564,000 boxes, of which USWC ports held a 66.8% share.

Given the volumes crossing the Atlantic, it's not surprisingly that "America's Port" was then the Port of New York/New Jersey with 523,000 containers. It was followed at some distance by Los Angeles (147,000 containers) and then by Norfolk (96,000), Baltimore (95,000), Oakland (83,000), Seattle (76,000), Long Beach (61,000), Philadelphia (36,000), Charleston, (32,000), and Houston (31,000). Savannah, today one of the nation's busiest container ports, processed 19,000 containers

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Commentary Continued

in 1973. The Port of San Francisco, which was still then in the container business, handled 67,000 containers. MARAD did not break out the volume of box trade through the Port of Tacoma, but it did report that the Port of Portland (Oregon) moved some 20,000 containers.

Some things have not much changed, though. Then and now, containerized trade largely involved imports of industrial goods and consumer items and exports of agricultural produce and raw materials. Motor vehicles and parts, telecommunications apparatus, iron and steel plates, fresh or slightly preserved fish, and clothing were the major commodities in the inbound transpacific trade. Waste and scrap paper, animal feed, wheat, cotton, and wood in the rough were the leading containerized export commodities.

Other than the enormous increase in the volume and value of our containerized trade with East Asia over the past half-century, the most conspicuous change involved the cast of trading partners.

U.S. trade statistics fifty years ago did not feature even cursory data on trade with China, then caught up in a catastrophic cultural revolution. Japan was America's largest Asian trading partner. Not just that, many analysts expected Japan to ultimately overtake the U.S. as the world's largest economy. Treatises explaining how the soundly defeated World War II foe could so quickly reverse the table, at least economically, filled bookstore shelves in the 1970s and 1980s. Today, scarcely anyone in official circles worries about Japan as a serious challenger to America's economic supremacy. That role has instead been handed to China.

Contemporary U.S. trade statistics date back to 1985. (Changes in data collection methodologies make looking further back a more dubious exercise.) Still, just five years after the initiation of Deng Xiaoping's economic reforms, Japan's \$94.41 billion in two-way trade with the United States easily eclipsed our \$7.72 billion in trade with China.

As one who grew up in the shadow of the draft, I came to have mixed views of Vietnam. After all the rhetoric about falling dominoes, two examples of the triumph of communism impressed me during a visit there a few years back: the bronze bull in front of the stock exchange in Hanoi, and the local teenagers who were using a monument honoring V.I. Lenin as a skate board park.



Saigon Port. (2022, July 7). In Wikipedia. https://en.wikipedia.org/wiki/Saigon_Port

The U.S. Census Bureau's Foreign Trade Division didn't begin publishing data on trade with Vietnam until 1992, when the value of two-way trade amounted to all of \$4.6 million. It didn't cross the billion-dollar mark until 2000. Last year, though, Vietnam nearly overtook the United Kingdom as America's seventh largest trading partner. As a source of America's containerized imports, Vietnam now ranks second only to China in terms of both tonnage and value.

Although China is and will likely remain the dominant force in East Asia, Vietnam's rise has been astonishing. Over the past twenty years, while U.S. containerized import tonnage grew by 87.5%, import tonnage from Vietnam soared by 1780.8%.

How Vietnam's exports get to U.S. markets offers a microcosm of the trends that have affected transpacific trade.

Just twenty years ago, Vietnam accounted for a reedy 0.6% share of all containerized import tonnage offloaded at U.S. mainland ports. That volume represented just a shade over 1.0% of the \$353.25 billion in America's containerized import trade that year. By last year (2022), the Southeast Asian country's share of the trade had increased to 6.1% in terms of tonnage and 8.1% in terms of value, as **Exhibit A** indicates. We now import more containerized merchandise by sea from Vietnam – in terms of both tonnage and value – than from any other country in the world except China. Twenty years earlier, Vietnam ranked 35th in tonnage and 17th in value.



Commentary Continued

Exhibit A

Vietnam's Share of U.S. Containerized Imports: 2003-2022

Source: U.S. Commerce Department

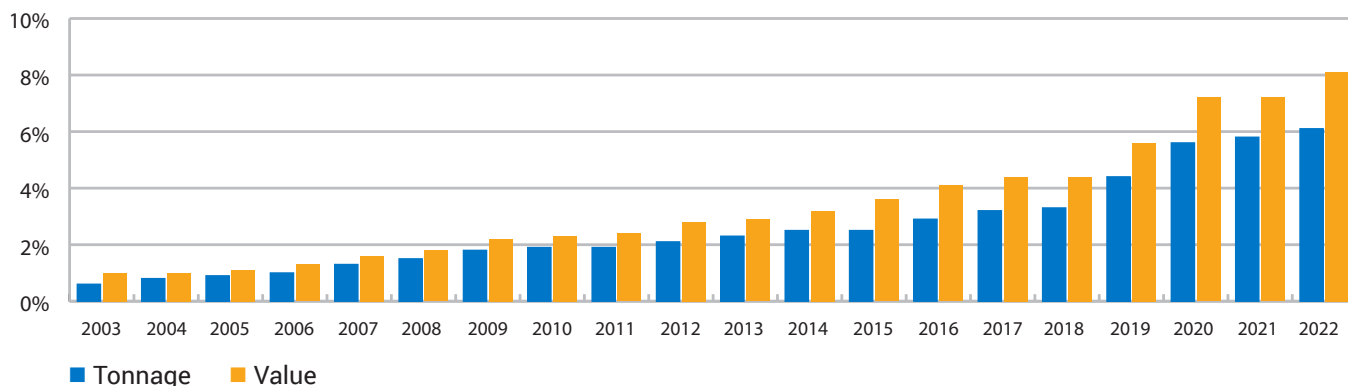


Exhibit B

USWC Share of Containerized Imports from Vietnam: 2003-2022

Source: U.S. Commerce Department

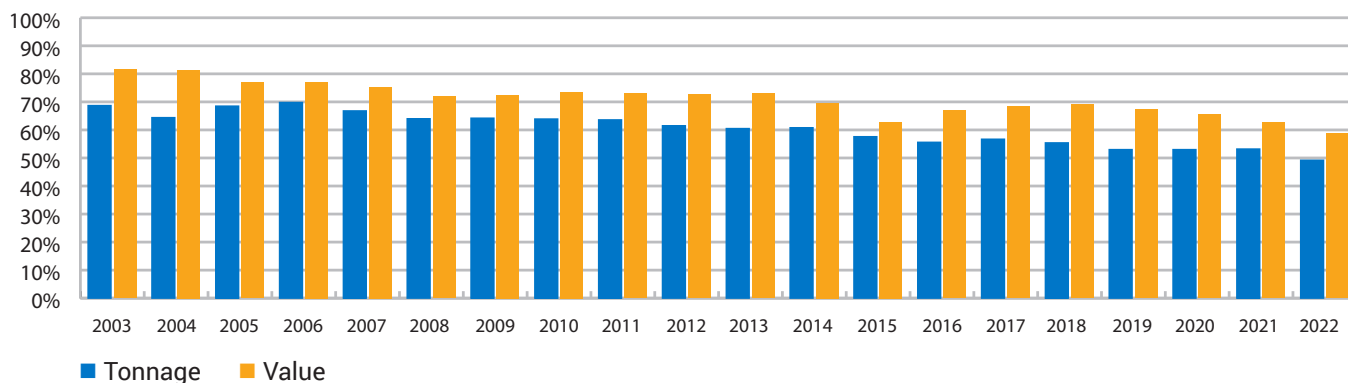
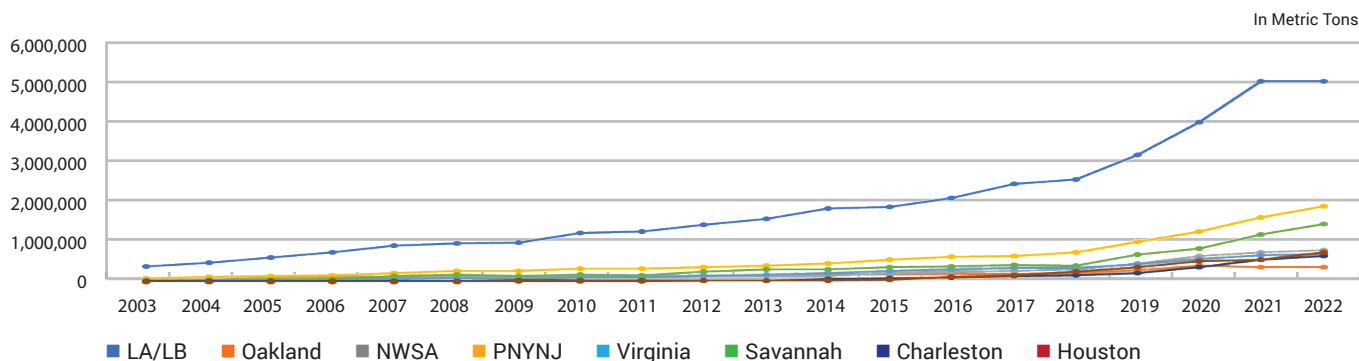


Exhibit C

Containerized Import Tonnage from Vietnam at Major U.S. Ports

Source: U.S. Commerce Department





Commentary Continued

The routes Vietnam's containerized exports take to U.S. markets have shifted over the past two decades. Twenty years ago, 68.7% of the import tonnage went through U.S. West Coast ports, but, as **Exhibit B** reveals, the USWC share has been in almost steady decline (to 49.2% last year) as other ports on other coasts vied for greater pieces of the trade.

As **Exhibit C** shows, all of the major U.S. ports have seen their containerized imports from Vietnam grow in the past two decades. Nationally, containerized imports from Vietnam increased from 693,157 metric tons of cargo in 2003 to 13,036,930 metric tons in 2022. The San Pedro ports remain the principal gateways for containerized goods entering U.S. mainland ports from Vietnam. But, while tonnage has grown from 395,245 metric tons in 2003 to 5,081,116 metric tons last year, the two ports' combined share of the trade has slipped from 57.2% to 39.3%. Remarkably, the portion of the trade through the Northwest Seaport Alliance ports has remained stable, 6.3% in 2003 and 6.4% last year. The Port of Oakland, however, has seen its share of the trade slip from 4.6% in 2003 to 2.9% in 2022.

Savannah, with its share rising from 3.2% to 11.3%, showed the sharpest increase. Other ports seeing their share of the business grow are Houston (0.7% to 5.8%), Charleston (2.4% to 5.0%), the Port of New York/New Jersey (13.5% in 2003 to 15.0%), and Norfolk (4.9% share to 5.6%).

Finally, did I mention Vietnam's crucial role in promoting the use of containers to ship goods around the world? Marc Levinson's *The Box* contains a whole chapter about how the U.S. Navy's Military Sea Transportation Service came to hire Malcom McLean to help sort out the logistics of supplying the buildup of American forces in Vietnam only a decade after McLean shipped his first container. It's a great story.

Disclaimer: The views expressed in Jock's commentaries are his own and may not reflect the positions of the Pacific Merchant Shipping Association.

Rust Never Sleeps

What is the current condition of the ill-fated Queen Mary? While we aren't metallurgists, we are pretty sure that steel sitting in salt water for over 86 years doesn't strengthen over time. Left unsaid in all the glowing press releases touting the ship's potential as a profitable tourist attraction is who will ante up the \$289 million in needed structural repairs identified in a 2016 marine survey, a cost estimate that is now nearly seven years old. Hopefully, the ship won't go down before policymakers finally resolve the problem.



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The Year Ahead

By John McLaurin, President, Pacific Merchant Shipping Association

For those in California's supply chain, the following issues will be discussed, debated and in some cases, litigated in the coming year.

Clean Trucks Fee

The ports of Los Angeles and Long Beach currently collect a \$10 per TEU fee to fund their Clean Trucks Program. The Mayor of Long Beach has proposed doubling the fee – though it is uncertain whether this proposal will go forward. Currently, the ports are having difficulty spending the money they are collecting due to a lack of demand.

TEU Tax

The South Coast Air Quality Management District (SCAQMD) is looking for an author in the California Legislature to impose a \$100 per TEU tax on containers that move through the ports of San Diego, Long Beach, Los Angeles, Hueneme and Oakland. It is estimated that it would amount to \$1 billion per year to fund unspecified environmental programs.

Indirect Source Rules

The SCAQMD adopted a warehouse indirect source rule (ISR) in 2021. Under such a rule, a facility such as a warehouse is responsible for the air emissions associated with the facility's operation – whether there is contractual relationship or not with the emissions source. The rule is currently being litigated by the California Trucking Association. Cost of implementation of this rule is estimated at \$1 billion per year.

The SCAQMD is moving forward with developing an ISR for new intermodal rail facilities. The concept is to set emission caps on new intermodal rail facilities. Rule development and adoption is expected later this year. Cost of compliance is unknown at this time.

The SCAQMD has begun rulemaking for an ISR for commercial marine ports. Depending on how it is written, the proposed regulation could hold marine terminal operators liable for emissions from trucks, ships, locomotives and tugs.

Advanced Clean Fleets Rule

The California Air Resources Board (CARB) is expected to approve a rule in which new diesel trucks would be banned from entering service in California ports. Instead, only zero-emission trucks would be permitted to be added to the State Drayage Truck Registry. Final approval of this rule is expected this Spring, with litigation to follow.

At-Berth Regulation

CARB has adopted an amended At Berth Rule. They are currently seeking an authorization from the US EPA, which is needed to finalize and enforce the new rule. PMSA and CARB are currently in discussions about the applicability of the US EPA authorization requirement and retroactivity of rule enforcement.

Harbor Craft Regulation

CARB adopted a rule that requires the repowering or replacement of harbor craft vessels with Tier 3 or Tier 4 engines, as well as zero emission harbor craft in specific applications. Similar to the At Berth Rule amendments, CARB applied late (January 31, 2023) for a US EPA authorization. CARB contends that while the agency cannot currently enforce the rule, CARB reserves the right to retroactively enforce the rule upon receipt of the authorization. The tug industry disagrees.

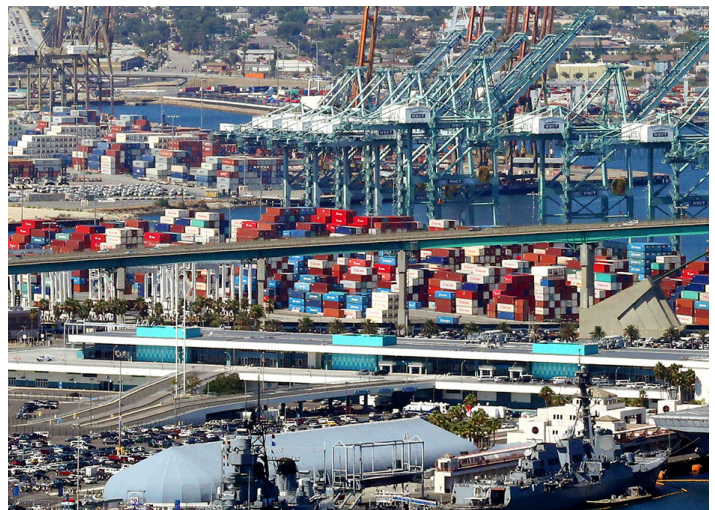
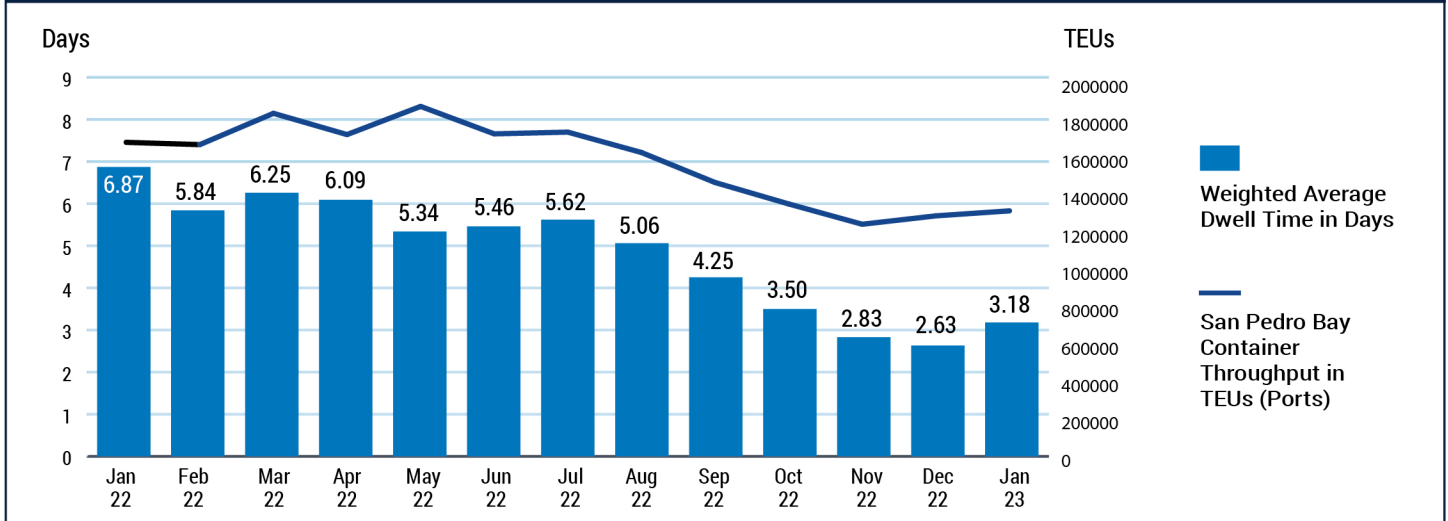


Photo courtesy Port of Los Angeles

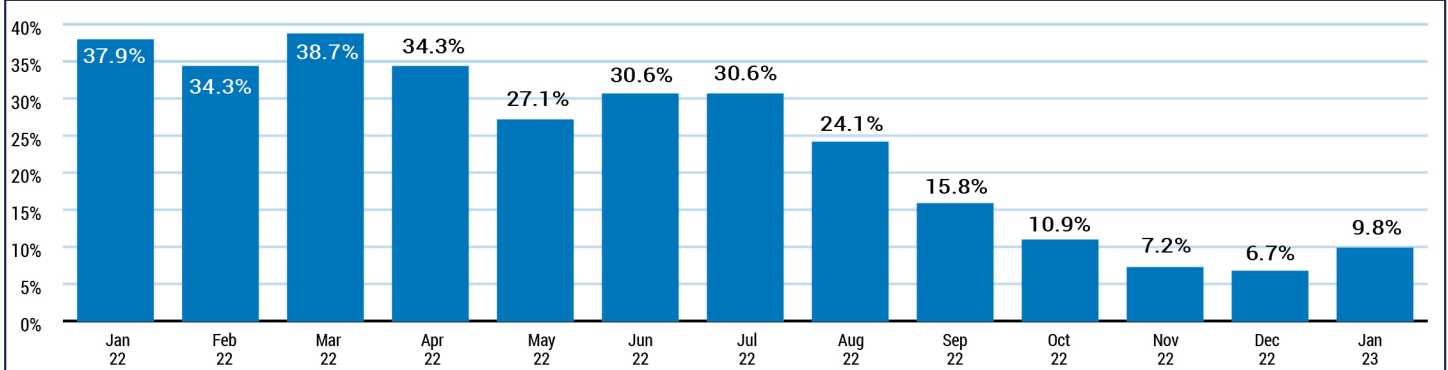


Container Dwell Time Stabilizing

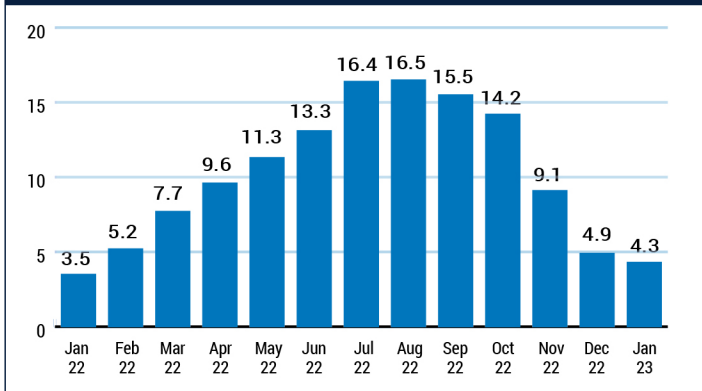
San Pedro Bay Weighted Average Inbound Laden Container Dwell Time in Days



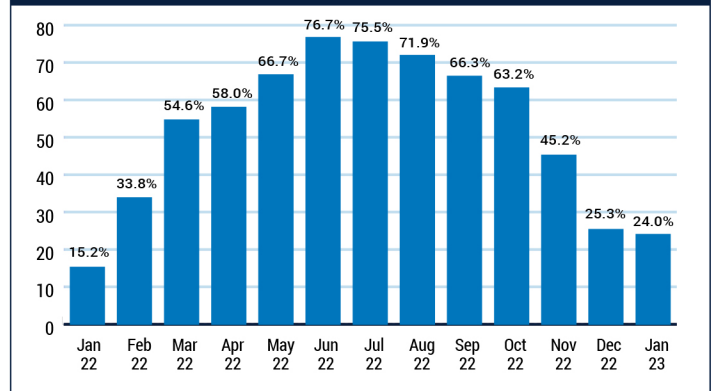
Dwell Time in Days % > 5 Days

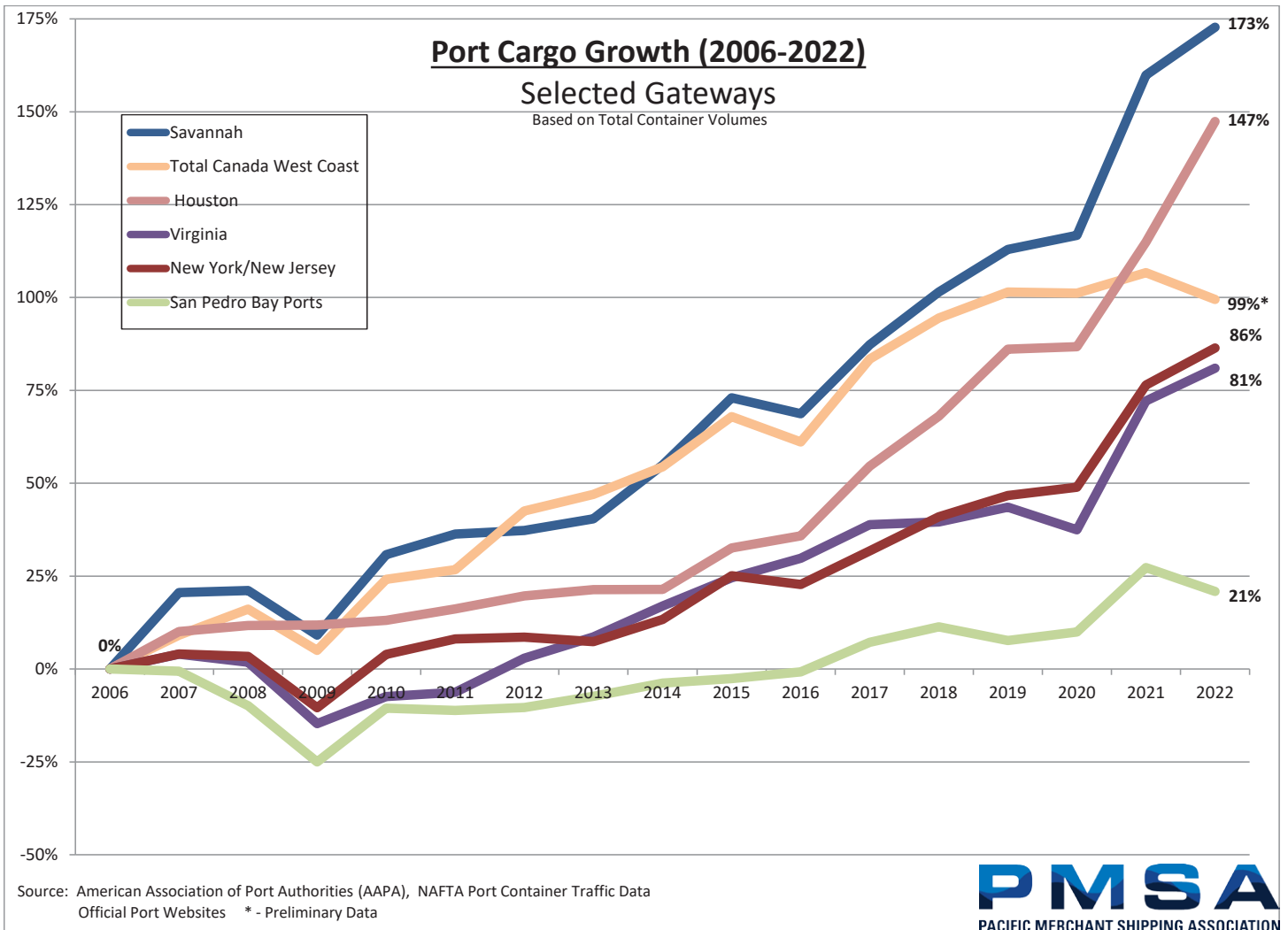


Rail Dwell Time in Days



Rail Dwell Time in Days % > 5 Days





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